

WE CLAIM:

1. A method for executing payment for transaction of goods or services between a merchant and a consumer comprising the steps of:

a) the merchant requesting the consumer to provide to it a consumer account identifier that identifies a prepaid consumer account for use with a specific service;

b) the consumer providing the requested account identifier to the merchant;

c) the merchant using a merchant computer to send to a digital petty cash server (DPCS) a first transaction request message comprising the consumer account identifier provided by the consumer and a merchant transaction amount for which authorization is being requested;

d) the DPCS sending to an account server a second transaction authorization request message comprising the consumer account identifier provided by the consumer and a DPCS transaction amount for which authorization is being requested;

e) the account server determining if the consumer account is sufficient to cover the DPCS transaction amount;

f) if the consumer account is sufficient to cover the DPCS transaction amount, then deducting from the consumer account the DPCS transaction amount and completing the transaction between the merchant and the consumer; and

g) if the consumer account is insufficient to cover the DPCS transaction amount, then denying the transaction between the merchant and the consumer.

5 2. The method of claim 1 wherein the step of completing the transaction between the merchant and the consumer comprises the steps of:

i) the account server sending a first transaction authorization message to the DPCS;

10 ii) the DPCS logging the authorization in a transaction database;

iii) the DPCS sending a second transaction authorization message to the merchant computer; and

15 iv) the merchant indicating to the consumer that the transaction has been authorized.

3. The method of claim 2 wherein the step of denying the transaction between the merchant and the consumer comprises the steps of:

20 i) the account server sending a first transaction denied message to the DPCS;

ii) the DPCS logging the first transaction denied message in a transaction database;

25 iii) the DPCS sending a second transaction denied message to the merchant computer; and

iv) the merchant indicating to the consumer that the transaction has been denied.

30 4. The method of claim 1 wherein the DPCS is capable of communicating with a plurality of different account servers, each account server configured to store information on consumer accounts to be used with a different consumer

service, and wherein the DPCS determines which of the plurality of account servers should be sent the second transaction authorization request message request by analyzing the consumer account identifier.

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5. The method of claim 1 wherein the account server is configured to provide prepaid telephone card calling services in which the prepaid consumer account is used to pay for telephone calls made by the consumer.

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6. The method of claim 5 wherein the consumer prepays for said account by purchasing a telephone calling card, the telephone calling card having imprinted thereon the consumer account identifier.

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7. The method of claim 6 wherein the consumer account identifier is a telephone number of the telephone card calling service.

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8. The method of claim 3 wherein the consumer utilizes a consumer computer that communicates with the merchant computer over the Internet, and wherein the merchant computer is used by the merchant to request the consumer to provide the consumer account identifier by sending an account entry form to the consumer computer, and to indicate to the consumer that the transaction has been authorized or denied by sending a web page to the consumer computer.

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9. The method of claim 3 wherein the merchant and the consumer each utilize a telephone to communicate with each other over a telephone network in order for the merchant to request the consumer to provide the consumer account identifier and indicate to the consumer that the transaction

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has been authorized or denied.

10. A networked system for executing payment for transaction of goods or services between a merchant and a consumer

5 comprising:

- a) a merchant computer;
- b) a consumer computer;
- c) a digital petty cash server (DPCS); and
- 10 d) an account server;

wherein the merchant computer is configured to request the consumer computer to provide to it a consumer account identifier that identifies a prepaid consumer account for use
15 with a specific service, the prepaid consumer account stored on the account server; and to send to the transaction server a first transaction request message comprising the consumer account identifier provided by the consumer computer and a merchant transaction amount for which authorization is being
20 requested;

wherein the DPCS is configured to send to the account server a second transaction authorization request message comprising the consumer account identifier provided by the
25 consumer computer and a DPCS transaction amount for which authorization is being requested;

wherein the account server is configured to determine if the consumer account is sufficient to cover the DPCS
30 transaction amount; and to deduct from the consumer account the DPCS transaction amount and allow the transaction if the consumer account is sufficient to cover the DPCS transaction amount; and to deny the transaction between the merchant

computer and the consumer computer if the consumer account is insufficient to cover the DPCS transaction amount.

5 11. The system of claim 10 wherein the account server is configured to allow the transaction by sending a first transaction authorization message to the DPCS; and wherein the DPCS is configured to log the authorization in a transaction database and to send a second transaction authorization
10 message to the merchant computer; and wherein the merchant computer is configured to indicate to the consumer that the transaction has been authorized.

12. The system of claim 11 wherein the account server is
15 configured to deny the transaction by sending a first transaction denied message to the DPCS; and wherein the DPCS is configured to log the first transaction denied message in a transaction database and to send a second transaction denied message to the merchant computer; and wherein the merchant
20 computer is configured to indicate to the consumer that the transaction has been denied.

13. The system of claim 10 further comprising a plurality of different account servers, each account server configured to
25 store information on consumer accounts to be used with a different consumer service; wherein the DPCS is configured to communicate with any of the plurality of different account servers and to determine which of the plurality of account servers should be sent the second transaction authorization
30 request message request by analyzing the consumer account identifier.

14. The system of claim 10 wherein the account server is

configured to provide prepaid telephone card calling services in which the prepaid consumer account is used to pay for telephone calls made by the consumer.

- 5 15. The system of claim 14 wherein the consumer prepays for said account by purchasing a telephone calling card, the telephone calling card having imprinted thereon the consumer account identifier.
- 10 16. The system of claim 15 wherein the consumer account identifier is a telephone number of the telephone card calling service.